Business Plan
2016–2017

Department of Business

NOVA SCOTIA

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Message from the Minister

As the Department of Business prepares for the 2016-17 fiscal year, it is important to look back on what we accomplished in our first year, evaluate our progress and make the necessary adjustments to advance our vision of making Nova Scotia the most business-friendly jurisdiction in Canada.

The Department of Business was created because we need to do economic development differently. The One Nova Scotia Commission told us clearly and unequivocally the status quo is not an option. Nova Scotia has had the lowest GDP growth in Canada over the past 30 years, and our declining and aging population clearly demonstrates the need to change. The creation of the Department of Business is one way government is addressing this challenge.

The transition from the Department of Economic and Rural Development and Tourism to a new, lean central government department is a significant accomplishment. It positions us to align government departments and agencies behind a common economic agenda. We are no longer in the business of providing funding or delivering programs. Our role now is to work with our partners to create the conditions for private sector success. We need to work collaboratively with stakeholders like industry associations, universities and colleges, municipalities and our federal partners to foster entrepreneurship and innovation. Our job is to be strategic, while understanding it is the private sector that creates jobs and leads growth.

Over the coming year, we will focus on improving the climate for business and social enterprise growth, increasing the competitiveness of our export sector, and capitalizing on Nova Scotia's competitive advantages, particularly in the key areas of ocean industries, information and communications technology (ICT) and agri-food and seafood. We will coordinate government objectives and activities through outcome and alignment agreements with agencies and departments. I believe the result will be better outcomes for the broader Nova Scotia economy.

Sincerely,

Mark Furey
Minister, Department of Business

Mandate

As government's central lead on economic development policy, the Department of Business (Business) guides and aligns all government efforts behind a common economic development agenda focused on enabling private sector growth in Nova Scotia. The Department of Business will establish outcome agreements with all Crowns agencies under its mandate and alignment agreements with twelve departments/offices.

Business focuses on strategic issues and opportunities that enhance Nova Scotia's competitiveness, entrepreneurship, innovation and export orientation. One particular area of interest is maximizing the economic benefits for Nova Scotia associated with the National Shipbuilding Procurement Strategy.

Business supports Invest Nova Scotia in its investments in strategic projects that foster economic growth in sectors or regions of the Province. In collaboration with the private sector including social enterprises, academia and other government partners, Business seeks to promote sector and cluster development, particularly in high potential clusters including Ocean Industries, Information and Communications Technology (ICT), Agri-food and Seafood.

Business has been mandated to develop a private sector-led, early stage venture capital fund. As well, Business is mandated to lead the process to create a flexible, new land management entity which will achieve returning surplus land to productive private sector use while meeting portfolio obligations of individual land parcels.

Alignment with Government's Priorities

Government priority: Innovation

Government outcome: Nova Scotia has a strong and globally competitive economy with a fiscally sustainable government.

Government goal: Create climate for private sector and social enterprise economic growth to support ONE NS economic goals

As government's lead for economic development policy, Business plays a key role in supporting economic growth and international competitiveness by providing strategic policy oversight, accountability and facilitating connections among the public and private sectors and levels of government. It is primarily the Crown Corporations that report to the Minister of Business, and other departments which are the delivery agents for economic development programs and services; as such, collaboration among Crowns and departments is critical.

Government's Framework for Private Sector Growth (Framework) is the policy framework that clarifies government's role in enabling private sector, including social enterprise, growth. It identifies that government's role in the economy is to be strategic and focused, and actions are

to be rooted in evidence and impact. The Framework indicates government's priorities to achieve outcomes in private sector growth are: improving the business climate; increasing the competitiveness of traded (exporting) sectors; and capitalizing on our competitive advantages by building capacity in high potential clusters. In addition to the role of implementing the Framework, Business also has responsibility to provide leadership in several key areas.

Actions:

Improving the Business Climate:

- Work collaboratively among departments and Business' Crowns and with partners to align efforts, focus resources, minimize duplication and overlap of efforts and clarify roles and responsibilities in economic development.
- Create and begin to implement a rural high speed internet strategy for the province in collaboration with key stakeholders such as provincial departments, municipal partners, federal partners and industry.

Enhance the competitiveness of traded/exporting sectors

- Enhance departmental coordination to address common barriers to business growth and take advantage of shared opportunities.
- Lead strategic collaboration and coordination between the private sector and government to ensure successful policy development.
- Support the operation of Invest Nova Scotia in its first full year of investing in strategic projects.

Enhance the capacity of high potential clusters

- Update high potential cluster profiles to provide information to local, national and international decision-makers and promote the understanding of the capacity of Nova Scotia clusters.
- Develop specific action plans for the high potential clusters identified in the Framework, specifically Ocean Industries, Agri-food and Seafood, and Information and Communication Technologies (ICT).
- Provide a leadership role in coordinating and implementing these cluster plans across all government departments, agencies, academia and the private sector. This would include coordinating the development of COVE (Centre for Ocean Ventures and Entrepreneurship).
- Facilitate the growth in capacity of high potential clusters by working with others on strategic infrastructure projects.
- Establish a private sector-led, early-stage venture capital fund.

Social enterprise

- Facilitate the development of a social enterprise sector plan and coordinate the actions of government departments and Crowns to accomplish government's action under this Plan.

Government goal: Innovate and achieve sustainable delivery of public services

In support of the Framework, Business will implement Outcome Agreements with its Crown Corporations and Alignment Agreements with identified departments involved in economic growth activities. These Agreements will help focus and coordinate the activities of government, reduce possible duplication, and foster a culture of measurement and evaluation that supports the sustainable delivery of public services related to economic development. These Agreements are a new concept in the governance of agencies and departments in Nova Scotia, and one that relatively few jurisdictions use. Agreements will be implemented in a phased approach. When fully implemented, these agreements will outline performance expectations and may be used as a resource allocation tool.

Actions

- Strengthen and expand Outcome Agreements with our Crown Corporations and Alignment Agreements with identified departments involved in economic growth.
- Lead the process to create a flexible, new land management entity that will achieve returning surplus land to productive private sector use while meeting portfolio obligations of individual land parcels.

Core Responsibilities

Government outcome: The delivery of core services by the government to Nova Scotians is effective and efficient.

Business is involved with policy development, leadership and coordination on economic growth issues. It has a special responsibility for sector and cluster development especially for facilitating private sector and social enterprises growth through the development of high potential sectors. Business seeks to enhance the opportunities for private sector growth while being mindful of government's resources.

Actions:

Economic growth

- Ensure departmental coordination is targeted at taking advantage of shared opportunities and providing solutions to common barriers for business growth.
- Collaborate with partners to maximize industrial and technological benefits from the National Shipbuilding Procurement Project.
- Work with the departments of Labour and Advanced Education, and Education and Early Childhood Development, Office of Immigration, Nova Scotia Business Inc., Innovacorp, and with industry on labour market alignment issues for the ICT sector.
- Work with the Department of Labour and Advanced Education and industry on labour market alignment issues for the Ocean Industries.
- Facilitate or support teams around specific topics of concern in areas of provincial priority and responsibility where industry has articulated a need.

- Co-chair Entrepreneurship Table (under the Innovation Table) which represents a coordinated effort of academia, government and industry focused on expansion and growth of entrepreneurs in Nova Scotia.
- Provide strategic collaboration and coordination between the private sector and government to understand their needs and ensure successful policy development and implementation.

Efficient use of government resources

- Portfolio management of Business' Crown Corporations to provide oversight and direction on government submissions as well as business plan coordination and relationship management. In 2016-2017, our Crown Corporations will be working on five-year strategic plans.
- Facilitate, in collaboration with Halifax Regional Municipality, the establishment of the Halifax Convention Centre Corporation.
- Develop and implement evaluation and measurement plans for Business' departmental activities and work with others to develop an evaluation plan for the Framework.
- Work with Crowns and departments to establish criteria for evaluation and support of economic development projects.

Outcomes and Performance Measures

Outcome: Increase the capacity of sectors or regions

This measure will be developed during the course of 2016-2017 in relation to the projects undertaken by Invest Nova Scotia. Invest Nova Scotia has a number of different criteria for project decision-making and a requirement that there be an evaluation plan in place.

Outcome: Government helps to create the climate for private sector and social economic growth to support the ONE NS economic goals.

The Department of Business is the central lead on economic development policy and guides and aligns all government efforts behind a common economic development agenda focused on enabling private sector growth in Nova Scotia. Since it does not deliver economic programming (with the exception of Invest Nova Scotia), Business can only impact the outcome by influencing the operations of Crowns and departments for which it has agreements. A measure(s) will be developed that looks at the awareness of the Framework and if it impacts the development and operation of Crowns' and departments' policies and programs to be consistent with the Framework.

Financial Summary

Departmental Expenses Summary
($ thousands)

Programs and Services	2015-2016 Estimate	2015-2016 Forecast	2016-2017 Estimate
Senior Management	3,346	2,676	3,610
Business Strategy and Planning and Policy	1,340	747	1,326
Operational Leadership, Coordination and Alignment	1,363	611	6,754
Nova Scotia Jobs Fund	37,523	44,669	35,240
Sector Development and Entrepreneurship	9,204	5,349	13,768
Regulatory Affairs and Service Effectiveness Office	1,474	1,036	0
Crown Corporations	59,893	66,600	76,752
Total - Departmental Expenses	114,143	121,688	137,450
Ordinary Recoveries	238	1	3,176
Funded Staff (# of FTEs)			
Department Funded Staff	36.0	23.4	28.0

Note:
For Ordinary Revenues, see Estimates and Supplementary Detail Book, Chapter 2
For TCA Purchase Requirements, see Estimates and Supplementary Detail Book, Chapter 1

The Regulatory Affairs and Service Effectiveness Office has been transferred to a different public sector vote. This includes the transfer of 8 FTEs.